

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4040-01
Bill No.: HB1754
Subject: Natural Resources Dept., Environmental Protection
Type: Original
Date: February 27, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	(\$180,071 to Unknown)	(\$205,753 to Unknown)	(\$211,054 to Unknown)
Total Estimated Net Effect on <u>All</u> State Funds	(\$180,071 to Unknown)	(\$205,753 to Unknown)	(\$211,054 to Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Health and Senior Services** assume the department would require three Environmental Specialist III positions. These three positions would be responsible for reviewing site containment and offsite information, evaluating site characterization data, determining potential exposure pathways, conducting investigations, document reviews as appropriate, and preparing risk assessments to quantitate risk to human health from contaminants. These positions would also be responsible for calculating contaminant concentrations that pose no risk to human health. These concentrations would be used for clean-up or attainment goals. All of this would require these positions to remain current on all toxicology data and risk assessment methodologies.

Officials of the **Department of Natural Resources** assume additional staff time and resources would be required when promulgating new rules which would be stricter than the federal rule. When promulgating new or revised rules, the department would be responsible for proving a specific circumstance or condition in the state is causing or has the potential to cause harm to human health or the environment.

Officials of the **Secretary of State (SOS)** stated that this proposal would create the "Environmental Regulation Consistency Act". The Department of Natural Resources shall promulgate rules to implement this proposal. Based on experience with other divisions, the rules, regulations and forms issued by the Department of Natural Resources could require as many as 82 pages in the *Code of State Regulations*. For any given rule, roughly half again as many pages are published in *Missouri Register* as in the *Code* because cost estimates and fiscal notes are not repeated in the *Code*. The estimated cost of a page in the *Missouri Register* is \$23. The estimated cost of a page in the *Code of State Regulations* is \$27. The estimated cost of publication in FY 2003 for this proposal is \$5,043. Actual cost could be more or less and costs in future years would depend upon frequency and length of rules filed, amended, rescinded or withdrawn.

This proposal alone would not require the Secretary of State to hire additional personnel; however, the cumulative effect of several bills requiring rulemaking activity could require additional resources.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
GENERAL REVENUE FUND			
<u>Cost - Department of Health and Senior Services</u>			
Personal Service (3 FTE)	(\$104,335)	(\$128,332)	(\$131,540)
Fringe Benefits	(\$37,571)	(\$46,212)	(\$47,368)
Expense and Equipment	(\$38,165)	(\$31,209)	(\$32,146)
Total Cost to DOH	(\$180,071)	(\$205,753)	(\$211,054)
 <u>Cost - Department of Natural Resources</u>			
Additional Staff due to rules changes	(Unknown)	(Unknown)	(Unknown)
 ESTIMATED NET IMPACT			
GENERAL REVENUE FUND	<u>(\$180,071 to Unknown)</u>	<u>(\$205,753 to Unknown)</u>	<u>(\$211,054 to Unknown)</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2003 (10 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill prohibits most rules of the Department of Natural Resources on clean air, clean water, underground storage tanks, hazardous waste management, surface mining, land reclamation, safe drinking water, and solid waste management from being stricter than federal requirements.

In cases where there are either insufficient or no federal guidelines, the department may develop more restrictive rules if there is substantial evidence that an activity will have an adverse impact on public health or the environment and a rule is necessary to prevent or alleviate the impact. Specific findings on the impact and a justification for the proposed rule must be

published in the Missouri Register. The rule's fiscal note must also include an assessment of the

DESCRIPTION cont'd

effectiveness and cost of any reasonably available pollution control methods required by the rule.

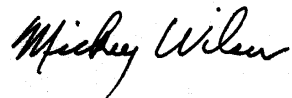
The bill also repeals the provision that allows affected parties to appeal decisions of the department director to the appropriate board or commission.

SOURCES OF INFORMATION

Department of Natural Resources
Department of Health and Senior Services
Secretary of State

NOT RESPONDING

Attorney General's Office



Mickey Wilson, CPA
Acting Director
February 27, 2002